LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY**, **FEBRUARY 6, 2007**, upon the application of **KCS RESOURCES**, **INC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Lower Cotton Valley Formation**, **Reservoir A**, and the **Gray Sand**, **Reservoir A**, in the Terryville Field, Lincoln Parish, Louisiana.

- 1. To authorize KCS Resources, Inc. to drill, complete and utilize two additional alternate unit wells for LCV RA SUH at the exceptional locations shown on the plat submitted with the application.
- 2. To authorize KCS Resources, Inc. to drill, complete and utilize two additional alternate unit wells for LCV RA SUI, one of which is an exceptional location, as shown on the plat submitted with the application.
- 3. To authorize KCS Resources, Inc. to drill, complete and utilize an additional alternate unit well for LCV RA SUP at the location shown on the plat submitted with the application.
- 4. To authorize KCS Resources, Inc. to drill, complete and utilize an additional alternate unit well for LCV RA SUTT at the exceptional location shown on the plat submitted with the application.
- 5. To authorize KCS Resources, Inc. to drill, complete and utilize an additional alternate unit well for GRAY RA SUNN at the exceptional location shown on the plat submitted with the application.
- 6. To determine that there is a need for additional alternate unit wells as indicated to efficiently and effectively recover hydrocarbons underlying the units on which they are to be located.
- 7. To authorize the unit allowable for these units to be recovered from the existing wells located on the units, the proposed wells, or any combination thereof, at the discretion of the operator.
- 8. To consider such other matters as may be pertinent.

The Lower Cotton Valley Formation, Reservoir A, was defined in Office of Conservation Order No. 370-B-6, effective on and after February 18, 1982, and has been redefined as to certain units by Office of Conservation Order No. 370-B-64, effective January 10, 2006.

The Gray Sand, Reservoir A, was defined in Office of Conservation Order No. 370-E, effective May 23, 1979.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

TERRYVILLE FIELD 07-126 thru 07-130

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, LA 1/17/07;1/22/07 S lck

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN FIVE (5) WORKING DAYS OF THE HEARING DATE.